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July 26, 2010

VIA E FILING

Jocelyn D. Boyd, Esquire
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

RE: Application of Crexendo Business Solutions, Inc. for Certification of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunications Services and for local service offerings to be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-166-C.

Dear Ms. Boyd:

Enclosed please find for filing the Application of Crexendo Business Solutions, Inc. for Certification of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunication Services. By copy of this letter, I am serving the Office of Regulatory Staff.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/jcl

Enclosures

cc: C. Dukes Scott, Esquire w/enc.
Lance J.M. Steinhart, Esquire

**STATE OF SOUTH CAROLINA
BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION**

In re:)	
)	
Application of Crexendo Business)	
Solutions, Inc. For a Certificate of Public)	
Convenience and Necessity to Provide)	
Interexchange and Local Exchange)	
Telecommunications Services and)	
for local service offerings to be regulated)	
in accordance with procedures authorized)	DOCKET NO.
for NewSouth Communications in Order)	
No. 98-165 in docket No. 97-467-C; and)	
For interexchange service offerings to be)	
regulated in accordance with procedures)	
established for alternative regulation in)	
Order Nos. 95-1734 and 96-55 in)	
Docket No. 95-661-C.)	
<hr style="width:20%; margin-left:0"/>)	

APPLICATION OF CREXENDO BUSINESS SOLUTIONS, INC.
FOR AUTHORITY TO PROVIDE RESOLD AND FACILITIES-BASED
LOCAL EXCHANGE AND INTEREXCHANGE SERVICE

Crexendo Business Solutions, Inc. ("Crexendo" or "Applicant"), pursuant to S.C. Code Ann. § 56-9-280(B)¹ and Section 253 of the Telecommunications Act of 1996², respectfully submits this Application for Authority to Provide Resold and Facilities-Based Local Exchange and Interexchange Service ("Application") in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth

¹As amended by Act No. 354, signed by the Governor on June 6, 1996.

²Telecommunications Act of 1996, 47 U.S.C. § 253 (1996).

Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

Crexendo intends to offer interexchange service to both business and residential customers throughout the state. Applicant intends to provide local exchange service to customers located in non-rural local exchange carriers' service areas of South Carolina. Should its Application be granted, Crexendo plans to commence offering service immediately upon the establishment of the appropriate and necessary resale arrangements with the incumbent Local Exchange Carriers ("LECs"). Applicant will be negotiating an interconnection/resale agreement with BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") to provide local service. Applicant intends to utilize AT&T, and other equivalent providers as its underlying interexchange carriers.

Approval of this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will improve.

In support of its Application, Crexendo states as follows:

I. Introduction

1. The name and address of the Applicant are:
Crexendo Business Solutions, Inc.
10201 South 51st Street
Phoenix, Arizona 85044
2. All correspondence, notices, inquiries and other communications regarding this

Application should be directed to:

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1720 Windward Concourse
Suite 115
Alpharetta, Georgia 30005
Telephone: 770/232-9200
Facsimile: 770/232-9208

Local Counsel:
Scott Elliott, Esq.
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC 29201
Telephone: 803/771-0555
Facsimile: 803/771-8010

3. In support of this Application, the following exhibits are attached hereto:

- a. Exhibit A - Crexendo's Articles of Incorporation filed with the Secretary of State for the State of Arizona;
- b. Exhibit B - Crexendo's Certificate of Authority to Operate in South Carolina as a Foreign Corporation;
- c. Exhibit C - Crexendo's parent company, iMergent Inc.'s SEC Form 10-KT for period ended December 31, 2009.
- d. Exhibit D - Biographies of selected Crexendo management;
- e. Exhibit E - Illustrative Price List for Local Exchange Service; and
- f. Exhibit F - Proposed Tariff for Interexchange Service.

II. Description of the Applicant

1. General Information

Applicant is an Arizona Corporation, which was formed on April 14, 2009. The company is headquartered at 10201 South 51st Street, Phoenix, Arizona 85044.

2. Customer Service

Crexendo's customer service representatives are available to assist its customers and will promptly respond to all customer inquiries. Customers may call (866) 621-6111 or a local number. The applicable toll free or local numbers will be printed on customers' monthly billing statements. Alternately, customers wishing to communicate with a Crexendo customer service representative in writing may send written correspondence to Crexendo at:

Crexendo Business Solutions, Inc.
ATTN: Customer Service
10201 South 51st Street

Phoenix, Arizona 85044

Crexendo's customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by Crexendo and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general service matters.

III. Crexendo Possesses the Technical, Managerial and Financial Expertise Necessary to Provide Local Exchange and Interexchange Service

Crexendo possesses the requisite technical, financial and managerial capabilities to operate as a competitive telecommunications provider. These capabilities are explained in detail below.

1. Financial Qualifications

Crexendo is a wholly-owned subsidiary of iMergent, Inc. ("iMergent"), a publicly traded company. Crexendo is financially able to provide the services proposed in its tariff as evidenced by iMergent's SEC Form 10-KT for period ended December 31, 2009.

2. Managerial Qualifications

Crexendo's senior management team is highly skilled, having acquired considerable experience in the telecommunications industry. Using this extensive expertise, Crexendo's management team has developed innovative marketing strategies. In conjunction with effective financial and operational measures, these marketing strategies will enable the company to provide quality service at competitive rates, while resulting in profitable operations for the Applicant. Crexendo has extensive experience in the technical, managerial, and financial aspects of the telecommunications industry.

3. Technical Qualifications

Applicant's key management personnel have significant business and telecommunications experience. Applicant is currently authorized to provide interexchange

and/or local exchange service in Florida, Kentucky, Indiana, Minnesota, New Jersey, New York and Pennsylvania. Crexendo is in the process of obtaining authorization to provide local and interexchange service nationwide. No such applications have been denied or dismissed. Applicant will also rely upon the technical expertise and telecommunications experience of its underlying carriers.

Crexendo will initially resell the facilities of the existing LECs or underlying carriers that presently serve South Carolina. Crexendo will primarily resell the facilities and services of AT&T. Crexendo will also use unbundled network elements and services purchased from AT&T and other incumbent local exchange providers, where applicable.

Applicant's current business and network plans call for market entry via resold LEC and IXC facilities. When customer demand warrants, Applicant proposes to offer resold and facilities-based local exchange services. Such services will be provided by utilizing the facilities incumbent local exchange carriers ("LECs"), as well as through Applicant's own facilities.

Applicant seeks authority to resell and provide through its own facilities local exchange services throughout the State primarily in the areas served by AT&T. Applicant's local calling areas initially will coincide with the incumbent local exchange carrier's local calling areas. Upon its entry into the South Carolina market, Applicant intends to install equipment for the provision of local exchange services. When Applicant installs facilities in South Carolina, it will probably use the following or a similar configuration of equipment: Applicant will provide voice and high speed data services through a combination of the latest technology switching and transport media. The switching system consists of a central processing and control complex capable of

interconnection as a peer to the incumbent as well as competitive local exchange companies.

The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Applicant constructed facilities. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Carolina. Customers will be billed by Applicant. Applicant is committed to providing access to a local operator, directory assistance, 911 services, and dual relay services. Applicant is also willing to accept its obligations to collect 911 and dual relay service surcharges from its local exchange customers, and to remit those funds to the appropriate authorities.

Crexendo is not currently providing resold and facilities-based interexchange and local exchange services in any state.

As the foregoing illustrates, Crexendo possesses considerable telecommunications expertise. Crexendo is technically qualified to provide local exchange and interexchange telecommunications services in South Carolina.

IV. Approval of Crexendo's Application is in the Public Interest

Granting Crexendo's Application is consistent with S.C. Code Ann. § 58-9-280(B), as amended by 1996 Act No. 354, and, in that regard Applicant makes the following representations to the Commission:

- a. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Applicant's services will meet the service standards required by the Commission;
- c. The provision of local and interexchange services by Applicant will not adversely impact the availability of affordable local and interexchange service;
- d. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- e. The provision of local and interexchange services by Applicant will not adversely impact the public interest.

The demands of a competitive market are a better means to achieve affordability and quality of service than a monopoly environment. As competitors vie for market share, they will compete based upon price, innovation and customer service.

Those providers trust that offer consumers the most cost effective products will gain market share. In contrast, providers whose products do not meet the needs of consumers will lose market share and, ultimately, be eliminated from the industry.

Additionally, Crexendo's entry into the local exchange and interexchange markets will not unreasonably prejudice or disadvantage any telephone service providers. Incumbent local exchange carriers presently serve a large majority of the local exchange customers in South Carolina. The major advantages of incumbency (i.e., ownership of the existing local network as well as access to, and long-standing relationships with, every local customer) constitute a substantial obstacle to new entrants. Moreover, exchange services competition will stimulate the demand for the services supplied by all local service carriers, including those of the incumbent LECs. Thus, in a competitive market, there will be increased potential for such

LECs to generate higher revenues. Additionally, in a competitive market, incumbent providers will have market incentives to improve the efficiency of their operations, thereby reducing their costs and ultimately their profit margins. Finally, it is important to recognize that in a competitive market, incumbent LECs will derive revenues from both resellers of their local exchange and interexchange services as well as facilities based competitive local exchange providers.

Currently, South Carolina consumers have a limited choice with regard to the provision of local exchange telecommunications service. A competitive local and interexchange service market comprised of incumbents and competitive providers such as Crexendo will offer consumers a competitive option and, therefore, will better satisfy the needs of various market segments. In this regard, approval of this Application is clearly in the public interest.

V. Description of Services Offered and Service Territory

For informational purposes, Crexendo has filed with this Application an illustrative price list based on Crexendo's current expectations regarding local services. (Exhibit "E"). Crexendo seeks authority to offer the following services:

Interexchange (switched and dedicated services):

- A. 1+ and 101XXXX outbound dialing;
- B. 800/888 toll-free inbound dialing;
- C. Calling cards; and
- D. Data Services.

Local Exchange:

- A. Local Exchange Services that will enable customers to originate and terminate local calls in the local calling area served by other LECs.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.
- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.
- D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- E. Digital subscriber line, ISDN, and other high capacity services.

Prior to providing local exchange services to the public in South Carolina, Crexendo will file a complete Final Tariff and/or Price List with the Commission. Furthermore, Applicant submits contemporaneously with this application its proposed tariff for local exchange service (Exhibit E) and interexchange service (Exhibit F), which contain a description of services to be provided, all rules and regulations applicable to such services, and proposed rates for such services.

VI. Waivers and Regulatory Compliance

Crexendo requests that the Commission grant it a waiver of those regulatory requirements inapplicable to competitive local service resellers such as Crexendo. Such rules are not appropriate or necessary for competitive providers and constitute an economic barrier to entry into the local exchange market.

1. Financial Record-Keeping System

a. Crexendo respectfully requests that it be exempt from any record-keeping rules or regulations that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation.

b. As a competitive carrier, Crexendo maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). Neither the FCC, nor the Commission, has required Crexendo to maintain its records under the USOA for purposes of Crexendo's interexchange operations. Thus, Crexendo does not possess the detailed cost data required by USOA, nor does it maintain detailed records on a state-specific basis. As a competitive provider, Crexendo's network operations are integrated to achieve maximum efficiency. Having to maintain records pertaining specifically to its South Carolina local service operations would place an extreme burden on Crexendo.

c. Moreover, Crexendo asserts that because it utilizes GAAP, the Commission will have a reliable means by which to evaluate Crexendo's operations. Therefore, Crexendo hereby respectfully requests to be exempt from the any USOA requirements of the Commission.

d. In addition, the Company hereby respectfully requests a waiver of 26 S.C. Code & Ann. Regs. 103-610, which requires books and records to be kept in the State of South Carolina, but rather, the Company desires to keep its books and records at its principal place of business.

2. Local Exchange Directories

Applicant respectfully requests a waiver of the requirement in Rule 103-631 to publish and distribute local exchange directories. Crexendo will make arrangements with the incumbent LECs whereby the names of Crexendo's customers will be included in the directories published by the incumbent LECs. LEC directories will also be modified to include Crexendo's customer service number. These directories will be distributed to Crexendo's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both Crexendo and the incumbent LEC since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on Crexendo to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for Crexendo to simply include its limited customer list in the existing directories of the incumbent LECs.

3. Flexible Regulation of Local Services and Alternative Regulation of Interexchange Services

Applicant respectfully requests that its local service offerings be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in

docket No. 97-467-C. Additionally, Applicant respectfully requests that its interexchange service offerings be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

4. Marketing Practices

Pursuant to the South Carolina Public Service Commission's Order No. 95-658 (issued March 20, 1995), Applicant makes the following affirmation relating to the Applicant's provision of services:

As a telephone utility under the regulation of the Public Service Commission of South Carolina, Carrier does hereby assert and affirm that as a reseller of intrastate telecommunications service, Carrier will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, Carrier will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. Carrier understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

5. Maps

Applicant's local exchange calling areas will initially mirror the service areas of the incumbent local exchange carriers; therefore, Applicant hereby respectfully requests a waiver of the map-filing requirement pursuant to 26 S.C. Code & Ann. Regs. 103-612.2.3 and of 26 S.C. Code Ann. Regs. 103-631 requiring publication of directories.

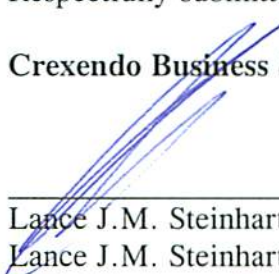
VII. Conclusion

This Application demonstrates that Crexendo Business Solutions, Inc., possesses the technical, financial and managerial resources to provide resold and facilities-based local exchange and interexchange service in the State of South Carolina. Furthermore, granting this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all exchange telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will improve. As stated above, Applicant does not intend to provide local service, by its own facilities or otherwise, to any customer located in a rural incumbent LEC's service area, until Applicant provides such LECs notice of intent at least 30 days prior to the date of the intended service.

Wherefore, Crexendo Business Solutions, Inc., respectfully petitions this Commission for authority to operate as a reseller and facilities-based provider of local exchange and interexchange telecommunications services in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, in accordance with this Application and for such other relief as it deems necessary and appropriate.

Respectfully submitted,

Crexendo Business Solutions, Inc.



Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
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and



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(803) 771-8010 (Facsimile)
selliott@elliottlaw.us (E-Mail)

Attorneys for Applicant

July 24, 2010

VERIFICATION OF APPLICANT

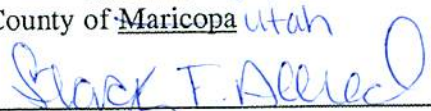
I, Jeff Korn, Chief Legal Officer to Crexendo Business Solutions, Inc., a Arizona Corporation, the applicant for a Certificate of Public Convenience and Necessity from the Public Service Commission of the State of South Carolina, verify that based on information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.



Jeff Korn
Chief Legal Officer
Crexendo Business Solutions, Inc.

Sworn to me, the undersigned
Notary Public on this
25 day of March, 2010.

State of Arizona Utah
County of Maricopa Utah



Notary Public



EXHIBIT "A"
ARTICLES OF INCORPORATION

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

I, Ernest G. Johnson, Executive Director of the Arizona Corporation Commission, do hereby certify that the attached copy of the following document:

ARTICLES OF INCORPORATION 04/19/2009

consisting of 3 pages, is a true and complete copy of the original of said document on file with this office for:

CREXENDO BUSINESS SOLUTIONS, INC.
ACC file number: -1519323-6

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission on this date: February 4, 2010.




Executive Director

By: 
Rebekah F. Hernandez

**PROFIT
CERTIFICATE OF DISCLOSURE
Pursuant to A.R.S. §10-202, (D).**

Crestando Business Solutions, Inc.
EXACT CORPORATE NAME

- A. Has any person serving either by election or appointment as officer, director, trustee, incorporator and persons controlling or holding over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation:**
1. Been convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Been convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Been or are subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes _____ No x

B. IF YES, the following information MUST be attached:

1. Full name, prior name(s) and aliases, if used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.

6. The nature and description of each conviction or judicial action, date and location, the court and public agency involved and file or cause number of case.

- C. Has any person serving as an officer, director, trustee, incorporator or holder of over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation served in any such capacity or held a twenty per cent interest in any other corporation in any jurisdiction on the bankruptcy or receivership of the other corporation?**

Yes _____ No x

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the corporation.
2. Full name (including aliases) and address of each person involved.
3. State(s) in which the corporation:
 - (a) Was incorporated.
 - (b) Has transacted business.
4. Dates of corporate operation.
5. Date and case number of bankruptcy or receivership.

Under penalties of law, the undersigned (incorporator(s)/officer(s) declare(s) that I(we) have examined this Certificate, including any attachments, and to the best of my(our) knowledge and belief it is true, correct and complete, and hereby declare as indicated above.

THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY [Signature] BY [Signature]

PRINT NAME Steven Miranda PRINT NAME Steven Miranda

TITLE CEO DATE 4/14/09 TITLE CEO DATE 4/14/09

DOMESTIC CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days, any person becomes an officer, director, trustee or person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file an AMENDED certificate signed by at least one duly authorized officer of the corporation.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.



AZ CORPORATION COMMISSION
FILED

ARTICLES OF INCORPORATION

OF

APR 14 2009

FILE NO. 15193236

CREXENDO BUSINESS SOLUTIONS, INC.

PURSUANT TO A.R.S. § 10-202

1. Name: The Name of the Corporation is Crexendo Business Solutions, Inc.
2. Initial Business: The Corporation initially intends to conduct the business of: Providing small businesses with e-Commerce, hosting, telecommunications, and internet solutions. In particular, Crexendo Business Solutions, Inc. provides software, training, and hosted telecommunications to enable its customers to market and sell their products or services over the internet.
3. Authorized Capital: The Corporation shall have authority to issue 1,000 shares of Common Stock.
4. Known Place of Business: The street address of the known place of business of the Corporation is: 10201 South 51st Street, Phoenix, Arizona 85044.
5. Statutory Agent: The name and address of the statutory agent of the Corporation is: Steven G. Mihaylo, 10201 South 51st Street, Phoenix, Arizona 85044.
6. Board of Directors: The initial board of directors shall consist of one (1) director. The name and address of the person who shall serve as the director until the first annual meeting of shareholders or until his successor is elected and qualifies is:

Name: Steven G. Mihaylo
Address: 10201 South 51st Street
City, State, Zip: Phoenix, Arizona 85044.

7. Incorporators: The name and address of the incorporator is:

Name: Steven G. Mihaylo
Address: 10201 South 51st Street
City, State, Zip: Phoenix, Arizona 85044.

AZ CORPORATION COMMISSION
FILED

APR 21 2009

FILE NO. 15193236

8. Indemnification of Officers, Directors, Employees and Agents: The Corporation shall indemnify any person who incurs expenses or liabilities by reason of the fact he or she is or was an officer, director, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise. This indemnification shall be mandatory in all Circumstances in which indemnification is permitted by law.
9. Limitation of Liability: To the fullest extent permitted by the Arizona Revised Statutes, as the same exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for any action taken or any failure to take action as a director. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or omission of a director of the Corporation occurring prior to such repeal, amendment or modification.

Executed this 13th Day of April, 2009, by the Incorporator.

Signed: 
Steven G. Mihaylo

ACCEPTANCE OF APOINTMENT BY STATUTORY AGENT

The undersigned hereby acknowledges and accepts the appointment

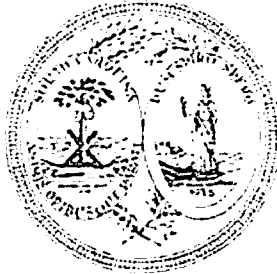
As statutory agent of the above-named corporation effective

This 13th Day of April, 2009.

Signed: 
Steven G. Mihaylo

EXHIBIT "B"
FOREIGN CORPORATION QUALIFICATION

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

CREXENDO BUSINESS SOLUTIONS, INC.,
a corporation duly organized under the laws of the state of **ARIZONA** and issued a certificate of authority to transact business in South Carolina on **July 21st, 2009**, has on the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the Corporation that its authority to transact business in South Carolina is subject to being revoked pursuant to Section 33-15-310 of the 1976 South Carolina Code, and no application for surrender of authority to do business in South Carolina has been filed in this office as of the date hereof.

Given under my Hand and the Great
Seal of the State of South Carolina this
21st day of July, 2009.


Mark Hammond, Secretary of State

Note: This certificate does not contain any representation concerning fees or taxes owed by the Corporation to the South Carolina Tax Commission or whether the Corporation has filed the annual reports with the Tax Commission. If it is important to know whether the Corporation has paid all taxes due to the State of South Carolina, and has filed the annual reports, a certificate of compliance must be obtained from the Tax Commission.